











Land Use and Energy

Presentation to the California Energy Commission's IEPR Committee

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SMUD Profile

- ◆ Electric utility with a 900 square mile service territory covering Sacramento County
- Governed by seven member Board of Directors elected by voters
- ♦ Revenues: >\$1.2 Billion
- ◆ 2,000+ employees
- ◆ Summer peak 3300 MW in July 2006















Underlying Question

◆ Can land-use planning activities be used to improve the state's energy systems?















Land Use / Energy Impacts

- Peak demand
 - ❖ Now 3,300 MW, up 10% in 2006 due to one heat storm.
 - ❖ Predict 5,000 MW by 2050.
 - Will need several new power plants/sources by 2050.
- Approximately 400 hours of peak demand.
- Solar generation
 - ❖ 10 MW installed over 10 years.
 - ❖ 115 MW needed within next 10 years, to meet SMUD's share of statewide goal.















Land Use / Energy

- Utilities now <u>respond</u> to land use decisions made by cities and counties.
 - Main utility concern is acreage needed for utility infrastructure.
- SMUD is working with local agencies to address energy early in the planning process.
 - Opportunity to identify potential for distributed generation, orientation for solar, incentive programs available for energy efficiency/solar, etc.





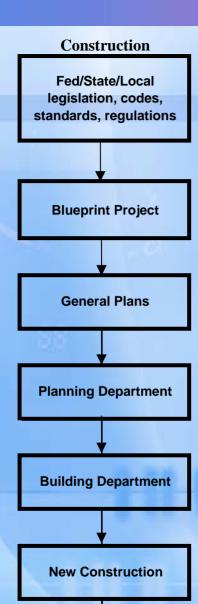






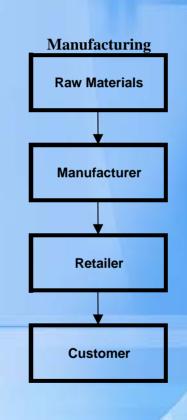


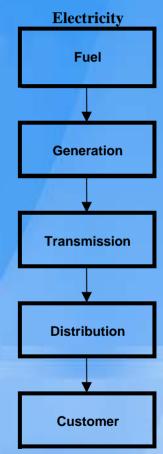




Retrofit

Opportunities to impact efficiency

















Smart Growth Principles

Transportation Sector

- Compact/infill development reduces vehicle miles traveled, encourages—
 - Walking
 - Biking
 - Use of public transportation
 - Neighborhood Electric Vehicles
- Smart growth (e.g., SACOG Blueprint) reduces sprawl.















Smart Growth Principles

- Higher density/mixed-use development.
- Central business hubs close to residences and public transportation.
- Efficient infill development
- ◆ Taller buildings & more common walls reduce heat transfer & reduce demand.

Note: Could lead to utility's having to upgrade infrastructure and add a substation for new load in older areas <u>unless infill</u> <u>development is super energy-efficient and/or provides some on-site generation.</u>















General Plans

- ◆ Energy Element is not mandatory.
- ◆ Local jurisdictions lack resources to prepare Energy Elements.
- ◆ Last time Sacramento County adopted an Energy Element was in 1979.
- ◆ Currently using Land Use, Urban Design and Housing Elements to address energy issues.















General Plans

- Need vision statements, objectives, and policies that address:
 - energy-efficient design and construction
 - renewable energy technologies
 - on-site (distributed) generation
 - integrated energy planning
 - combined cooling, heating and power















- Set goal of reducing per capita energy consumption, particularly during periods of peak electricity demand.
- Encourage orientation of rooflines and windows to optimize use of solar power and minimize heat transfer through windows.













- Housing Element
 - Energy-efficient design as a goal
 - Require improvements to meet minimum EE
 standards upon sale/change or lease of residential property
 - Offer incentives (e,g., density bonus, expedited process, fee reduction/waiver) for projects that exceed state's energy efficiency standards













- Housing Element
 - Recognize long-term economic and environmental benefits of EE, as weighed against any increased initial costs of EE measures.
 - Increase accountability of landlords to make improvements to meet minimum EE standards upon sale or change of lease.
 - Sponsor a program to promote use of energy efficiency mortgages.













- Natural Resources Element
 - Establish guidelines to require planting of trees to reduce "heat island" effects, to reduce air conditioning and conserve energy.
 - As a condition of approval, require that a Community Plan, Specific Plan, or development project include a finding that all feasible and costeffective options for EE and use of renewable energy have been incorporated.













Collaboration with Stakeholders

- Community buy-in is key to success
 - Elected officials
 - Planning departments
 - Energy providers
 - Building industry
 - Environmental groups
 - Homeowners/renters/business











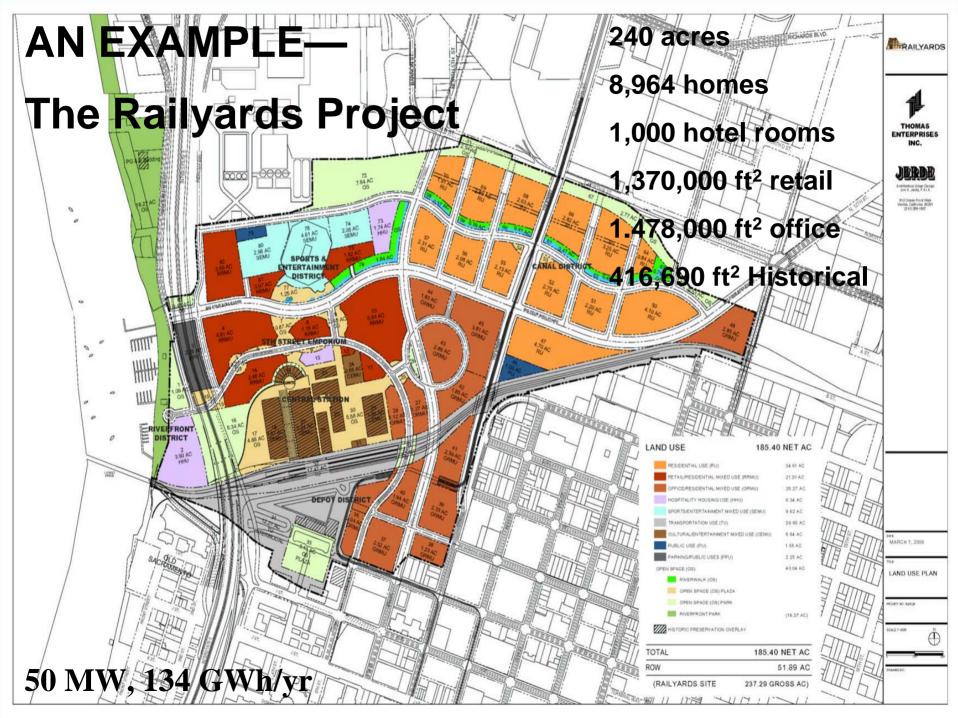




Policy Examples

- ◆ 30% reduction in energy use within 5 years (Palm Desert).
- Accelerated permitting for green buildings (Chicago).
- Green building ordinance on buildings over 20k sf (Pleasanton).
- ◆ LEED certification required for public buildings (State).
- PV requirements in residential new construction.
- Use green energy to reduce greenhouse gases.
- Reduced permitting fees for PV and/or energy efficient buildings (PV permit fees range from \$192 to \$823 in the 7 public jurisdictions in Sacramento County.)
- Accelerated inspections for renewable projects (San Jose).
- Streamlined process for efficient projects (Roseville).







Railyards Project





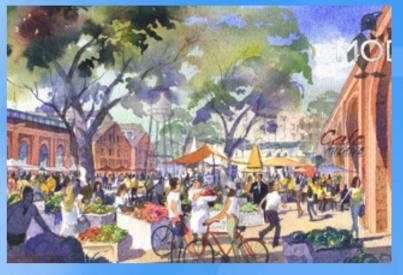




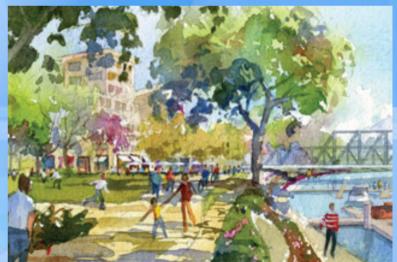




Fifth Street Emporium



Central Shops



Waterfront













The Task

Investigate the potential to—

- Perform integrated energy master planning.
- Develop a combined cooling, heating and power (CHP) plant at the Railyards site.
- Provide chilled and hot water for space cooling and heating.













Benefits

- Incorporates smart growth principles and sustainability practices from the start.
- Progressive and energy efficient means of delivering service.
- ◆ Reduces GHG emissions.
- ◆ Increases system reliability.
- Can serve as a model for integrating distributed generation, renewables, and energy efficient design.













Summary

- ◆ The potential to improve energy efficiency and grid reliability through proper land-use planning is BIG.
 - Incorporate efficiency and renewables in General Plans and Developer Agreements.
 - Any new requirements should be state-wide for consistency.
- The earlier energy is addressed in the planning process, the greater the opportunity for cost-effective measures to be incorporated.